

1 Marie M. Rongone
2 Assistant Regional Counsel
3 United States Environmental
4 Protection Agency
5 Region IX
6 75 Hawthorne Street, ORC-3
7 San Francisco, CA 94105
8 (415) 744-1313

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
Region IX

In The Matter Of:

San Fernando Valley, Area 2, Crystal Springs
Glendale North Operable Unit
Glendale South Operable Unit

U.S. EPA
Docket No.:
97-06

RESPONDENTS:

A.G. LAYNE, INC.; CHARLES C. LITCHFIELD;
ACCESS CONTROLS, INC.; RANCHITO ALLEGRA;
ADMIRAL CONTROLS, INC.; THE DAVID J. HIGGINS
TRUST; DAVID J. HIGGINS; AMERICAN METASEAL
COMPANY; AVIBANK MANUFACTURING; BROCK BUS
LINES, INC.; BINZLEY REVOCABLE FAMILY TRUST,
JOHN AND RUTH BINZLEY, TRUSTEES; BURBANK
STEEL TREATING, INC.; COLTEC INDUSTRIES,
INC., MENASCO AEROSYSTEMS DIVISION;
COMMERCIAL INSPECTION SERVICES; MAG INVEST-
MENTS, LTD.; COURTAULDS AEROSPACE, INC.;
GEORGE AND KATHRYN HICKER; CARL M. BUCK,
JR., AS TRUSTEE OF THE MATTHEW KING AND
AMANDA KING BUCK TRUST; CARL M. BUCK PROFIT
SHARING PLAN AND TRUST; KERDMAN FAMILY
TRUST, HARRY U. KERDMAN, TRUSTEE; HARRY AND
FLORENCE KERDMAN; JEFFREY J. AND BETTY
PLAYERS; FRANK HAMBLIN; BERNARD FINE;
GRETCHEN B. HAUSWALD; RUTH G. TROUSTORFF
REVOCABLE TRUST, RUTH G. TROUSTORFF, AS
TRUSTEE; IRL J. KARSEN; DATRON, INC.,
ELECTRICAL ENGINEERING AND MANUFACTURING
COMPANY DIVISION; DRILUBE COMPANY; WALTER
J. FAIRFAX; EXCELLO PLATING; FIBER-RESIN
CORP.; THE THOMSON FAMILY TRUST, JOSEPH A.
AND VIRGINIA L. THOMSON, TRUSTEES;
FOTOKEM INDUSTRIES, INC.; THE BRODERSON
INVESTMENT CO.; GCG CORPORATION; COSMIC
INVESTMENTS, INC.; GRANT PRODUCTS, INC.;
THE PETERSON FAMILY TRUST, ARNOLD E. AND
MARGARET R. PETERSON, TRUSTEES; HASKEL,

1 INC.; LITCHFIELD, HILTON, CAMERON TRUST;)
INTERNATIONAL ELECTRONIC RESEARCH)
2 CORPORATION; ITT FLUID PRODUCTS CORPORATION,)
ITT CORPORATION; LANCO METALS; LOCKHEED)
3 MARTIN CORPORATION; LOCKHEED MARTIN)
LIBRASCOPE CORPORATION; PACIFIC BELL)
4 CORPORATION; PHILIPS COMPONENTS, DISCRETE)
PRODUCTS DIVISION OF NORTH AMERICAN PHILIPS)
5 CORPORATION; RALPH'S GROCERY COMPANY, INC.;)
CREDIT MANAGERS ASSOCIATION, INC.; SAI)
6 INDUSTRIES, INC.; SOUTHERN PACIFIC TRANS-)
PORTATION CO.; STERER ENGINEERING AND MANU-)
7 FACTURING COMPANY; SUNLAND CHEMICAL AND RE-)
SEARCH CORPORATION; VORELCO, INC.; W&W MANU-)
8 FACTURING COMPANY, INC.; WALT DISNEY)
COMPANY, INC.; MAGNETIC HEADS, INC.;)
9 PRUDENTIAL INSURANCE COMPANY OF AMERICA;)
WESTFORM INDUSTRIES; ZERO CORPORATION.)

10)
11)
12 Proceeding Under Section 106(a) of the)
Comprehensive Environmental Response,)
13 Compensation, and Liability Act of 1980,)
as amended (42 U.S.C. § 9606(a)))
14)
15)
16)

17 ADMINISTRATIVE ORDER
18 FOR REMEDIAL ACTION
19
20
21
22
23
24
25
26
27
28

TABLE OF CONTENTS

I. INTRODUCTION AND JURISDICTION	1
II. FINDINGS OF FACT	2
III. CONCLUSIONS OF LAW AND DETERMINATIONS	12
IV. NOTICE TO THE STATE	13
V. ORDER	13
VI. DEFINITIONS	13
VII. NOTICE OF INTENT TO COMPLY	17
VIII. PARTIES BOUND	18
IX. WORK TO BE PERFORMED	20
X. FAILURE TO ATTAIN PERFORMANCE STANDARDS	26
XI. EPA PERIODIC REVIEW	26
XII. ADDITIONAL RESPONSE ACTIONS	27
XIII. ENDANGERMENT AND EMERGENCY RESPONSE	28
XIV. EPA REVIEW OF SUBMISSIONS	29
XV. PROGRESS REPORTS	30
XVI. QUALITY ASSURANCE, SAMPLING AND DATA ANALYSIS	31
XVII. COMPLIANCE WITH APPLICABLE LAWS	32
XVIII. REMEDIAL PROJECT MANAGER	33
XIX. ACCESS TO SITE NOT OWNED BY RESPONDENTS	35
XX. SITE ACCESS AND DATA/DOCUMENT AVAILABILITY	37

1	XXI. RECORD PRESERVATION	38
2	XXII. DELAY IN PERFORMANCE	40
3	XXIII. ASSURANCE OF ABILITY TO COMPLETE WORK	41
4	XXIV. REIMBURSEMENT OF RESPONSE COSTS	42
5	XXV. UNITED STATES NOT LIABLE	43
6	XXVI. ENFORCEMENT AND RESERVATIONS	44
7	XXVII. ADMINISTRATIVE RECORD	46
10	XXVIII. EFFECTIVE DATE AND COMPUTATION OF TIME	46
11	XXIX. OPPORTUNITY TO CONFER	46

13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

1
2 I. INTRODUCTION AND JURISDICTION

3 1. This Unilateral Administrative Order (hereinafter "Order")
4 directs the Respondents identified in Paragraph 3 of this Section
5 and Appendix 2 to this Order to implement the remedial actions
6 for the interim remedies described in the Records of Decision
7 ("RODs") dated June 18, 1993, for the San Fernando Valley Area 2
8 Crystal Springs Superfund site, Glendale North and South Operable
9 Units ("OUs") (collectively, "the Site"). The Glendale North and
10 South OU RODs are attached as Appendices 1a and 1b to this Order.
11 This Order is issued to Respondents by the United States
12 Environmental Protection Agency ("EPA") under the authority
13 vested in the President of the United States by section 106(a) of
14 the Comprehensive Environmental Response, Compensation, and
15 Liability Act of 1980, as amended ("CERCLA"), 42 U.S.C.
16 § 9606(a). This authority was delegated to the Administrator of
17 EPA on January 23, 1987, by Executive Order 12580 (52 Fed. Reg.
18 2926, January 29, 1987), and was further delegated to EPA
19 Regional Administrators on September 13, 1987 by EPA Delegation
20 No. 14-14-B. This authority has been redelegated to the
21 Director, Superfund Division, EPA, Region IX.
22
23
24
25
26
27
28

II. FINDINGS OF FACT

2. Site Background.

a. The Site is part of the San Fernando Valley Superfund site, Area 2, also known as the Crystal Springs Area Superfund site (hereinafter "Crystal Springs Site"). The Glendale North OU generally includes the central portion of the Crystal Springs Site, as well as areas to which the plume of trichloroethylene ("TCE"), perchloroethylene ("PCE") and other volatile organic compounds ("VOCs") in the Glendale North OU has spread. The Glendale South OU generally includes most of the southeastern portion of the Crystal Springs Site, as well as areas to which the plume of TCE, PCE and other VOCs in the Glendale South OU has spread.

b. The Crystal Springs Site is one of four sites in the San Fernando Valley groundwater basin ("Basin") which are listed on the National Priorities List ("NPL"). The other three NPL sites in the Basin are (1) North Hollywood (Area 1); (2) Verdugo (Area 3); and (3) Pollock (Area 4).

c. For decades, the Basin has been a primary source of drinking water to over 800,000 residents and customers of the cities of Glendale, Burbank, Los Angeles, and the La Crescenta Water District.

d. In the early 1980's, massive contamination by VOCs, primarily tetrachloroethylene, also known as perchloroethylene ("PCE"), and trichloroethylene ("TCE"), was detected in the Basin groundwater. In 1986, in direct response to the threat to drinking water supplies, EPA added the four sites to the NPL.

1 The federal Maximum Contaminant Level ("MCL") for both TCE and
2 PCE is five (5) ug/l (parts per billion). TCE has been detected
3 at concentrations up to 23,000 ug/l in the Basin. PCE has been
4 detected at concentrations of up to 43,000 ug/l in the Basin. As
5 a result of the VOC contamination in the Basin groundwater, the
6 municipalities and water districts which had previously relied on
7 the Basin for drinking water to serve the public were forced to
8 shut down their wellfields and to obtain drinking water from
9 alternative sources.

10 e. In general, EPA has managed all four NPL sites as one
11 site. EPA has divided Areas 1 and 2, (the North Hollywood and
12 the Crystal Springs NPL sites, respectively), where the most
13 serious contamination was initially determined to exist, into
14 four OUs: (1) North Hollywood; (2) Burbank; (3) Glendale North;
15 and (4) Glendale South. EPA established the OUs for the purpose
16 of selecting interim remedial actions. This approach allows EPA
17 to commence response actions as soon as possible, rather than
18 waiting for the completion of extensive, Basin-wide studies and
19 decisions on what further remedial actions may be necessary in
20 the Basin and/or at the OUs. EPA has executed RODs for all four
21 OUs: (1) North Hollywood, 1987; (2) Burbank, 1989; and (3)
22 Glendale North and South, 1993.

23 f. Each of the RODs selects an interim remedy for the OU.
24 In all four OUs, the selected interim remedy consists of a
25 groundwater extraction and treatment system to remove VOC
26 contamination from the groundwater. The Glendale North and South
27 RODs require a combined treatment facility to treat the

1 groundwater extracted from separate Glendale North and Glendale
2 South extraction wellfields. In the Glendale and Burbank OUs,
3 the extracted, treated groundwater also is blended with an
4 alternative source of water to reduce nitrate levels. After the
5 groundwater is extracted and treated, and blended with an
6 alternative source of water to reduce nitrate content, if
7 applicable, the RODs require the extracted, treated groundwater
8 to be delivered to the public water supply. In this way, the
9 RODs enable EPA to contain the contamination from spreading
10 further, to commence removal of VOC mass concentrations from
11 heavily contaminated portions of the Basin, and to restore the
12 groundwater resource to the communities which formerly depended
13 upon it as a drinking water supply.

14 g. In 1987, pursuant to the North Hollywood ROD, EPA
15 entered into a cooperative agreement with the Los Angeles
16 Department of Water and Power ("LADWP") to design and construct
17 the interim remedy selected in the North Hollywood OU ROD. LADWP
18 completed construction of the North Hollywood system and began
19 serving the extracted, treated groundwater to the public in 1989.
20 The North Hollywood interim remedy is scheduled to operate for
21 fifteen (15) years.

22 h. In June 1994, EPA filed an action titled United States
23 v. AlliedSignal, Inc., 93-6490 (MRP) in the Central District of
24 California to recover its response costs in connection with the
25 North Hollywood OU interim remedy. The State of California,
26 Department of Toxic Substances Control ("DTSC") also filed an
27 action to recover its response costs for the North Hollywood OU,

1 which was consolidated with EPA's action. EPA and DTSC have
2 entered into a partial consent decree with certain defendants to
3 that action, pursuant to which those defendants have paid a
4 portion of EPA's and DTSC's response costs. The partial consent
5 decree was entered by the court on August 8, 1996. EPA
6 anticipates entering into a second partial consent decree with
7 the remaining defendants to the action, in which DTSC is expected
8 to join, which will provide for the remaining defendants to pay
9 the substantial remainder of EPA's response costs in the North
10 Hollywood OU.

11 i. In 1992, pursuant to the Burbank ROD, EPA entered into a
12 consent decree with Lockheed Corporation (now Lockheed Martin
13 Corporation), Weber Aircraft, Inc., and the City of Burbank, in
14 the action titled United States v. Lockheed Corporation, et al.,
15 No. 91-4527 (MRP) (Tx) in the Central District of California. In
16 the Burbank consent decree, those parties agreed to finance
17 and/or to perform the remedial design, to construct the remedial
18 action, to operate and maintain the remedial action for two years
19 after construction was complete, and to pay certain of EPA's past
20 and future response costs in connection with the Burbank OU.

21 Also pursuant to the Burbank ROD, EPA issued Unilateral
22 Administrative Order No. 92-12 to six additional parties
23 associated with the Burbank OU, to design and construct a
24 blending facility. These parties have completed construction of
25 the Burbank interim remedy and began serving the extracted,
26 treated groundwater to the public in February 1996. The Burbank
27 OU interim remedy is scheduled to operate for twenty (20) years.

1 j. EPA is currently negotiating a second consent decree
2 with the parties to the Burbank consent decree and UAO 92-12, and
3 additional parties associated with approximately twenty-five
4 other facilities in the Burbank OU. EPA generally anticipates
5 entering into a second consent decree with these parties which
6 will provide for the long-term operation and maintenance, for
7 eighteen (18) additional years, of the interim remedy; and the
8 payment of EPA's response costs in connection with the Burbank OU
9 which were not recovered under the first Burbank consent decree.
10 If a second consent decree cannot be negotiated and entered, EPA
11 may issue unilateral administrative order(s) to achieve the work,
12 and file cost recovery litigation to recover its costs.

13 k. In October 1993, pursuant to the Glendale RODs executed
14 in June 1993, EPA issued Special Notice for Remedial Design to
15 parties associated with approximately thirty-five properties
16 within the Site, requesting that these parties enter into an
17 Administrative Order on Consent ("AOC") with EPA. EPA sought
18 these parties' agreement to perform the remedial design for the
19 Glendale North and South OU interim remedies. On March 30, 1994,
20 EPA entered into Administrative Order on Consent No. 94-11
21 ("AOC") with twenty-five of the noticed parties ("AOC Parties").

22 1. The AOC Parties agreed to design the interim remedies
23 selected in the Glendale North and South RODs, and to pay EPA's
24 oversight costs for the remedial design work. Contemporaneous
25 with entering into the AOC, EPA also entered into a Memorandum of
26 Agreement with the City of Glendale concerning aspects of the
27 design which required the City of Glendale to coordinate and
28

1 cooperate with the AOC Parties.

2 m. In October 1995, EPA issued Special Notice for Remedial
3 Action to parties associated with approximately forty-two
4 properties within the Site, including the AOC Parties, other
5 recipients of EPA's 1993 Special Notice for Remedial Design, and
6 additional parties whom EPA had identified as potentially
7 responsible parties at the Site and to whom EPA had issued
8 General Notice of their potential liability since issuing its
9 1993 Special Notice. In its 1995 Special Notice for Remedial
10 Action, EPA sought a good faith offer from the noticed parties
11 pursuant to CERCLA section 122(e)(2)(b), 42 U.S.C.
12 § 9622(e)(2)(b), to execute a consent decree which would provide
13 for the construction, operation and maintenance of the Glendale
14 OU interim remedies. Specifically, EPA sought the noticed
15 parties' agreement to construct, operate and maintain the interim
16 remedial actions for the Glendale North and South OUs for the
17 twelve (12) years required by the Glendale RODs, and to pay EPA's
18 past and future response costs relating to the Site.

19 n. The AOC Parties and other recipients of EPA's 1993 and
20 1995 Special Notices have formed a steering committee
21 (hereinafter "the Glendale PRP Group"). On December 15, 1995,
22 the Glendale PRP Group, in response to EPA's October 1995 Special
23 Notice for Remedial Action, furnished EPA with an offer to
24 perform the work and to pay certain of EPA's response costs. The
25 Glendale PRP Group also subsequently attended one meeting with
26 EPA to discuss the terms of a consent decree. However, the
27 Glendale PRP Group ultimately declined to negotiate a consent
28

1 decree with EPA.

2 o. The Glendale PRP Group informed EPA that it was, for the
3 time being, unwilling to execute a consent decree with EPA for
4 the following reasons. The Glendale PRP Group members had
5 entered into private and confidential alternative dispute
6 resolution ("ADR") of their potential liability to each other
7 under CERCLA section 113(f), 42 U.S.C. § 9613(f). Due to delays
8 in the ADR process, and the Glendale PRP Group members' desire to
9 complete the ADR process before entering into a consent decree
10 with EPA, the Glendale PRP Group members declined to negotiate
11 and enter into a consent decree with EPA until the ADR process
12 was complete. The Glendale PRP Group further informed EPA that
13 it anticipated completion of the ADR process by late July 1996.

14 p. On March 21, 1996, EPA formally notified the Glendale
15 PRP Group that the 120-day moratorium on enforcement actions
16 pursuant to CERCLA, section 122(e)(2)(A) and (B), 42 U.S.C.
17 § 9622(e)(2)(A-B), had expired. EPA also notified the Glendale
18 PRP Group that it intended to issue a unilateral administrative
19 order to provide for uninterrupted work on the interim remedy
20 once the tasks required by the AOC were completed. However, EPA
21 also notified the Glendale PRP Group that if its members
22 presented a good faith offer to EPA by August 31, 1996, and
23 executed a consent decree with EPA by September 30, 1996, EPA
24 would enter into negotiations for a consent decree in that time
25 frame. None of the Glendale PRP Group members provided EPA with
26 a good faith offer in response to EPA's March 21, 1996 notice.
27 In addition, the Glendale PRP Group members are now in

1 litigation, both in California and the federal courts, concerning
2 the subject of their contribution liability to each another. The
3 Glendale PRP Group has informed EPA that its members remain
4 unwilling to negotiate and enter into a consent decree with EPA
5 until their contribution liability to each other is resolved.

6 q. The AOC Parties submitted the final design for the
7 interim remedial actions ("Final Design") pursuant to the AOC on
8 September 30, 1996. EPA approved the Final Design for the
9 interim remedial actions at the Glendale North and South OUs on
10 November 11, 1996. Consequently, the tasks to be performed under
11 the AOC are complete and another enforcement mechanism is
12 required for the implementation of the remedial actions. This
13 Order provides the necessary mechanism for the implementation of
14 the design prepared under the AOC. Specifically, this Order
15 requires Respondents to implement the interim remedial actions
16 described in the Glendale North and South OU RODs for the period
17 of operations set forth in the Statement of Work attached as
18 Appendix 3 to this Order, approximately two hundred and seventy
19 (270) days. The Order thus ensures that there will be no
20 interruption in the work necessary to establish the interim
21 remedies at the Glendale OUs due to the lack of a consent decree
22 providing for such work to be completed. EPA intends to amend
23 and/or supplement this Order, or to issue a new Order, to require
24 completion of the work required by the RODs upon completion of
25 the work required by Appendix 3 to this Order. This Order
26 further requires Respondents to pay EPA's response costs in
27 connection with this Order.

1 3. Respondents

2 a. The Respondents to this Order are the parties named in
3 Appendix 2. Each of the Respondents was a recipient of EPA's
4 October 1995 Special Notice for Remedial Action. The Respondents
5 include but are not limited to members of the Glendale PRP Group.

6 b. Except as noted in Appendix 2, each of the Respondents
7 is the current owner of property, and/or the current operator of
8 a business located at a property which is located generally
9 within the Site, from which releases and/or the threat of
10 releases of hazardous substances, including but not limited to
11 PCE and TCE, have occurred.

12 c. In some instances, and as alleged in Appendix 2, a
13 Respondent is a past owner of such a property and/or a past
14 operator of a business located at such property. In these cases,
15 releases and/or the threat of releases of such hazardous
16 substances occurred at the facility during the time that such
17 Respondent owned and/or operated the facility.

18 d. The VOCs of primary concern at the Glendale OUs, TCE
19 and PCE, are typical constituents of solvents used frequently in
20 heavy industrial and manufacturing applications, such as
21 aerospace and defense manufacturing, which were the principal
22 industries in the San Fernando Valley from approximately 1940 to
23 the late 1980's. Consequently, many of the Respondents to this
24 Order were or are associated with aerospace or defense
25 manufacturing operations and/or property where aerospace or
26 defense manufacturing operations were carried out. However,
27 solvents containing PCE, TCE and other VOCs have also been used

1 in numerous other types of businesses for their unique cleaning
2 properties. Thus, other Respondents to the Order are or were
3 engaged in, or own or have owned property where many diverse
4 industries have operated. These industries include but are not
5 limited to drycleaning establishments, metal plating shops,
6 automotive repair shops, motion picture production and related
7 businesses, and food preparation and/or retail operations.

8 d. EPA identified Respondents principally through
9 investigations carried out by the California Regional Water
10 Quality Control Board, Los Angeles Region ("RWQCB"), under a
11 cooperative agreement between EPA and the State Water Resources
12 Control Board. Pursuant to the cooperative agreement, the RWQCB
13 conducts site-specific investigations of businesses in the San
14 Fernando Valley. These investigations typically include database
15 surveys and other preliminary evaluations of historical chemical
16 usage and storage at a particular property, and, if warranted,
17 site-specific subsurface investigations which include one or more
18 of soil sampling, soil vapor sampling and groundwater sampling.
19 These investigations are usually supplemented by information
20 requests issued by EPA pursuant to section 104 of CERCLA, 42
21 U.S.C. § 104. Based on these investigations, EPA has determined
22 that releases of hazardous substances have occurred, and/or that
23 the threat of releases of hazardous substances has occurred or
24 exists at Respondents' properties.

25 e. The above-described releases and/or threats of releases
26 of hazardous substances from Respondents' facilities have caused
27 the incurrence of response costs by EPA and continue to cause the

1 | incurrence of response costs by EPA.

2 | 4. The respondents identified in paragraph 3 and Appendix 2 are
3 | collectively referred to as "Respondents."

4 | III. CONCLUSIONS OF LAW AND DETERMINATIONS

5 | 5. The properties owned and/or operated by Respondents are each
6 | "facilities" as defined in section 101(9) of CERCLA, 42 U.S.C.
7 | § 9601(9).

8 | 6. Each Respondent is a "person" as defined in section 101(21)
9 | of CERCLA, 42 U.S.C. § 9601(21).

10 | 7. Each Respondent is a liable party pursuant to section 107(a)
11 | of CERCLA, 42 U.S.C. § 9607(a), and are subject to this Order
12 | under section 106(a) of CERCLA, 42 U.S.C. § 9606(a).

13 | 8. The substances listed in paragraphs 2 and 3 are found at the
14 | Site and are "hazardous substances" as defined in section 101(14)
15 | of CERCLA, 42 U.S.C. § 9601(14).

16 | 9. These hazardous substances have been and/or are being
17 | released from the Respondents' facilities to the soil and
18 | groundwater at the Site.

19 | 10. The past and possible present disposal and migration of
20 | hazardous substances from each of the Respondents' facilities at
21 | the Site are "releases" as defined in section 101(22) of CERCLA,
22 | 42 U.S.C. § 9601(22).

23 | 11. The potential for future migration of hazardous substances
24 | from the Respondents' facilities to the Site poses a threat of a
25 | "release" as defined in section 101(22) of CERCLA, 42 U.S.C.
26 | § 9601(22).

27 | 12. The release and/or threat of release of one or more
28 |

1 hazardous substances from the Respondents' facilities may present
2 an imminent and substantial endangerment to the public health or
3 welfare or the environment.

4 13. The contamination and endangerment at this Site constitute
5 an indivisible injury. The actions required by this Order are
6 necessary to protect the public health, welfare, and the
7 environment.

8 IV. NOTICE TO THE STATE

9 14. On November 11, 1996, prior to issuing this Order, EPA
10 notified the State of California DTSC and the RWQCB that EPA
11 would be issuing this Order.

12 V. ORDER

13 15. Based on the foregoing, Respondents are hereby ordered,
14 jointly and severally, to comply with the following provisions,
15 including but not limited to all attachments to this Order, all
16 documents incorporated by reference into this Order, and all
17 schedules and deadlines in this Order, attached to this Order, or
18 incorporated by reference into this Order.

19 VI. DEFINITIONS

20 16. Unless otherwise expressly provided herein, terms used in
21 this Order which are defined in CERCLA or in regulations
22 promulgated under CERCLA shall have the meaning assigned to them
23 in the statute or its implementing regulations. Whenever terms
24 listed below are used in this Order or in the documents attached
25 to this Order or incorporated by reference into this Order, the
26 following definitions shall apply:

27 a. "CERCLA" shall mean the Comprehensive Environmental

1 Response, Compensation, and Liability Act of 1980, as amended, 42
2 U.S.C. §§ 9601 et seq.

3 b. "Construction Manager" shall mean the representative of
4 the Respondents assigned to the Site to administer and oversee
5 the construction contract. Further responsibilities of the
6 Construction Manager are as described in the Statement of Work,
7 Appendix 3 to this Order, at Section I, Paragraph F.

8 c. "Constructor" shall mean the contractor retained by
9 Respondents to perform the construction work for the Remedial
10 Action.

11 d. "Day" shall mean a calendar day unless expressly stated
12 to be a working day. "Working day" shall mean a day other than a
13 Saturday, Sunday, or federal holiday. In computing any period of
14 time under this Order, where the last day would fall on a
15 Saturday, Sunday, or federal holiday, the period shall run until
16 the end of the next working day.

17 e. "Effective Date" or "effective date" shall mean the
18 date provided by Section XXVIII of this Order (Effective Date and
19 Computation of Time), upon which this Order shall be effective.

20 f. "EPA" shall mean the United States Environmental
21 Protection Agency.

22 g. "Explanation of Significant Differences," or "ESD"
23 shall mean any Explanation of Significant Differences to the
24 Glendale North and South OU RODs.

25 h. "Department of Toxic Substances Control," or "DTSC"
26 shall mean the California Department of Toxic Substances Control
27 and any successor agency.

1 i. "Final Design" shall mean the design for the Glendale
2 North and South OU interim remedies submitted by the AOC Parties,
3 and approved by EPA on November 11, 1996.

4 j. "National Contingency Plan" or "NCP" shall mean the
5 National Contingency Plan promulgated pursuant to Section 105 of
6 CERCLA, 42 U.S.C. § 9605, codified at 40 C.F.R. Part 300,
7 including any amendments thereto.

8 k. "Operation and Maintenance" or "O&M" shall mean all
9 activities required under the Operation and Maintenance Plan, if
10 any, to be developed by Respondents pursuant to this Order and
11 Section II, Paragraph B.10 of the Statement of Work, and approved
12 by EPA.

13 l. "Paragraph" shall mean a portion of this Order or the
14 Statement of Work identified by an upper-case letter or an Arabic
15 numeral.

16 m. "Performance Standards" shall mean those cleanup
17 standards, standards of control, and other substantive
18 requirements, criteria or limitations identified in the Records
19 of Decision and Statement of Work, that the Remedial Action and
20 Work required by this Order must attain and maintain.

21 n. "Project Coordinator" shall mean the representative of
22 the Respondents responsible for coordinating the Respondents'
23 technical work.

24 o. "Records of Decision" or "RODs" shall mean the EPA
25 Records of Decision relating to the Site, Glendale North and
26 South OUs, each signed on June 18, 1993 by the Regional
27 Administrator, EPA Region IX, and all attachments thereto. The

1 Records of Decision for the Glendale North and South OUs are
2 attached as Appendices 1a and 1b to this Order.

3 p. "Regional Water Quality Control Board" or "RWQCB" shall
4 mean the Los Angeles Regional Water Quality Control Board, and
5 any successor agency.

6 q. "Remedial Action" or "RA" shall mean those activities,
7 except for Operation and Maintenance, to be undertaken by
8 Respondents to implement the Final Design submitted by
9 Respondents pursuant to the Remedial Design Work Plan approved by
10 EPA, including but not limited to any additional activities
11 required under Sections X, XI, XII, XIII, and XIV of this Order.

12 r. "Remedial Action Work" shall mean the Work required by
13 this Order, as described in the Statement of Work, Section I,
14 Paragraph D.

15 s. "Remedial Design" or "RD" shall mean those activities
16 which were undertaken by the AOC Parties pursuant to the Remedial
17 Design Work Plan to develop the final plans and specifications
18 for the Remedial Action.

19 t. "Response Costs" shall mean all costs, including direct
20 costs, indirect costs, and accrued interest incurred by the
21 United States to perform or support response actions at the Site.
22 Response costs include but are not limited to the costs of
23 overseeing the Work, such as the costs of reviewing or developing
24 plans, reports and other items pursuant to this Order and costs
25 associated with verifying the Work.

26 u. "Statement of Work" or "SOW" shall mean the statement
27 of work for implementation of the Remedial Action, as set forth

1 in Appendix 3 to this Order. The Statement of Work is
2 incorporated into this Order and is an enforceable part of this
3 Order.

4 v. "Section" shall mean a portion of this Order or the
5 Statement of Work identified by a Roman numeral and may include
6 one or more paragraphs.

7 w. "Site" shall mean the Glendale North and South OUs of
8 the Crystal Springs Site, encompassing approximately 14,362 acres
9 generally located at and around Glendale, California, as
10 described in the Records of Decision, and the areal extent of
11 PCE, TCE and other VOC contamination at or migrating from the
12 Site.

13 x. "State" shall mean the State of California.

14 y. "United States" shall mean the United States of America.

15 z. "Work" shall mean all activities Respondents are
16 required to perform under this Order to implement the Glendale
17 North and South OU RODs, which may include but are not limited to
18 any activities required to be undertaken pursuant to Sections VII
19 through XXIV, and XXVII of this Order, and pursuant to the SOW.

20 VII. NOTICE OF INTENT TO COMPLY

21 17. Respondents shall provide, not later than five (5) days
22 after the Effective Date of this Order, written notice to EPA's
23 Remedial Project Manager ("RPM") stating whether they will comply
24 with the terms of this Order. If Respondents do not
25 unequivocally commit to perform the Work as provided by this
26 Order, they shall be deemed to have violated this Order and to
27 have failed or refused to comply with this Order. Respondents'

1 written notice shall describe, using facts that exist on or prior
2 to the Effective Date of this Order, any "sufficient cause"
3 defenses asserted by Respondents under sections 106(b) and
4 107(c)(3) of CERCLA, 42 U.S.C. § 9606(b) and 9607(c)(3). The
5 absence of a response by EPA to the notice required by this
6 paragraph shall not be deemed to be acceptance of Respondent's
7 assertions.

8 VIII. PARTIES BOUND

9 18. This Order shall apply to and be binding upon each
10 Respondent identified in Paragraph 3, their directors, officers,
11 employees, agents, successors, and assigns. Respondents are
12 jointly and severally responsible for carrying out all activities
13 required by this Order. No change in the ownership, corporate
14 status, or other control of any Respondent shall alter any of
15 such Respondent's, or any other Respondent's responsibilities
16 under this Order.

17 19. Respondents shall provide a copy of this Order to any
18 prospective owners or successors before a controlling interest in
19 Respondent's assets, property rights to property within the Site,
20 or stock are transferred to the prospective owner or successor.
21 Respondents shall provide a copy of this Order to each
22 contractor, subcontractor, laboratory, or consultant retained to
23 perform any Work under this Order, within five (5) days after the
24 Effective Date of this Order or on the date such services are
25 retained, whichever date occurs later. Respondents shall also
26 provide a copy of this Order to each person representing any
27 Respondent with respect to the Site or the Work and shall

1 condition all contracts and subcontracts entered into hereunder
2 upon performance of the Work in conformity with the terms of this
3 Order. With regard to the activities undertaken pursuant to this
4 Order, each contractor and subcontractor shall be deemed to be
5 related by contract to the Respondents within the meaning of
6 section 107(b)(3) of CERCLA, 42 U.S.C. § 9607(b)(3).

7 Notwithstanding the terms of any contract, Respondents are
8 responsible for compliance with this Order and for ensuring that
9 their contractors, subcontractors and agents comply with this
10 Order, and perform any Work in accordance with this Order.

11 20. Within five (5) days after the Effective Date of this Order,
12 each Respondent that owns real property comprising all or part of
13 the Site shall record a copy or copies of this Order in the
14 appropriate governmental office where land ownership and transfer
15 records are filed or recorded, and shall ensure that the
16 recording of this Order is indexed to the titles of each and
17 every property at the Site so as to provide notice to third
18 parties of the issuance and terms of this Order with respect to
19 those properties. Respondents shall, within fifteen (15) days
20 after the Effective Date of this Order, send notice of such
21 recording and indexing to EPA.

22 21. Not later than sixty (60) days prior to any transfer of any
23 real property interest in any property included within the Site,
24 Respondents shall submit a true and correct copy of the transfer
25 document(s) to EPA, and shall identify the transferee by name,
26 principal business address and the effective date of the
27 transfer.

IX. WORK TO BE PERFORMED

22. Respondents shall cooperate with EPA in providing information regarding the Work to the public. As requested by EPA, Respondents shall participate in the preparation of such information for distribution to the public and in public meetings which may be held or sponsored by EPA to explain activities at or relating to the Site.

23. Respondents shall use their best efforts to coordinate and cooperate with the City of Glendale and any other municipal, local, or State authorities as necessary to implement the interim remedial actions at the Site. These obligations shall include but shall not be limited to Respondents' obligations pursuant to the Statement of Work, Sections III, Paragraphs A and B.

24. All aspects of the Work to be performed by Respondents pursuant to this Order shall be under the direction and supervision of a qualified Construction Manager and Resident Engineer, the selection of which shall be subject to approval by EPA. Within thirty (30) days after the Effective Date of this Order, Respondents shall notify EPA in writing of the name and qualifications of the proposed Construction Manager and Resident Engineer, including primary support entities and staff, proposed to be used in carrying out Work under this Order. If at any time Respondents propose to use a different Construction Manager or Resident Engineer, Respondents shall notify EPA and shall obtain approval from EPA before the new Construction Manager or Resident Engineer performs any Work under this Order.

25. EPA will review Respondents' selection of a Construction

1 Manager and Resident Engineer according to the terms of this
2 Paragraph and Section XIV of this Order (EPA Approval of
3 Submissions). If EPA disapproves of the selection of the
4 Construction Manager and/or Resident Engineer, Respondents shall
5 submit to EPA within thirty (30) days after receipt of EPA's
6 disapproval of the Construction Manager and/or Resident Engineer
7 previously selected, a list of different Construction Managers
8 and/or Resident Engineers, including primary support entities and
9 staff, that would be acceptable to Respondents. EPA will
10 thereafter provide written notice to Respondents of the names of
11 the Construction Managers and/or Resident Engineers on
12 Respondents' list that are acceptable to EPA. Respondents may
13 then select from the EPA-approved list any approved Construction
14 Manager and/or Resident Engineer and shall notify EPA of the name
15 of the Construction Manager and/or Resident Engineer selected
16 within twenty-one (21) days of EPA's designation of approved
17 Construction Managers and/or Resident Engineers.

18 26. Not later than one hundred and eighty (180) days after the
19 Effective Date of this Order, Respondents shall submit a Remedial
20 Action Work Plan ("RA Work Plan") to EPA for review and approval.
21 The RA Work Plan shall be developed in accordance with the RODs,
22 any ESDs to the RODs, and the attached Statement of Work, and
23 shall be consistent with the Final Design as approved by EPA.

24 27. Upon approval by EPA, the RA Work Plan is incorporated into
25 this Order as a requirement of this Order and shall be an
26 enforceable part of this Order.

27 28. Upon approval of the RA Work Plan by EPA, Respondents shall
28

1 implement the RA Work Plan according to the schedules in the RA
2 Work Plan. Unless otherwise directed by EPA, Respondents shall
3 not commence construction activities related to the interim
4 remedial action at the Site prior to approval of the RA Work
5 Plan.

6 29. If Respondents seek to retain a construction contractor to
7 assist in the performance of the Remedial Action, then
8 Respondents shall submit a copy of the contractor solicitation
9 documents to EPA not later than five (5) days after publishing
10 the solicitation documents.

11 30. Within sixty (60) days of the Effective Date of this Order,
12 Respondents shall notify EPA in writing of the name, title, and
13 qualifications of any construction contractor(s) proposed to be
14 used in carrying out Work under this Order. EPA shall thereafter
15 provide written notice of the name(s) of the contractor(s) it
16 approves, if any. Respondents may select any approved contractor
17 from that list and shall notify EPA of the name of the contractor
18 selected within twenty-one (21) days of EPA's designation of
19 approved contractors. If at any time Respondents propose to
20 change the construction contractor, Respondents shall notify EPA
21 and shall obtain approval from EPA as provided in this Paragraph,
22 before the new construction contractor performs any work under
23 this Order. If EPA disapproves of the selection of any
24 contractor as the construction contractor, Respondents shall
25 submit a list of contractors that would be acceptable to them to
26 EPA within thirty (30) days after receipt of EPA's disapproval of
27 the contractor previously selected. EPA will thereafter provide

1 written notice to Respondents of the names of the construction
2 contractor(s) on Respondents' list that are acceptable to EPA.
3 Respondents may then select from the EPA-approved list any
4 approved construction contractor and shall notify EPA of the name
5 of the construction contractor selected within twenty-one (21)
6 days of EPA's designation of approved construction contractor(s).

7 31. The Work performed by Respondents pursuant to this Order
8 shall, at a minimum, achieve the Performance Standards specified
9 in the Records of Decision and in the Statement of Work, and
10 which may be developed pursuant to the Statement of Work in the
11 Operations & Maintenance, Operational Sampling, and Performance
12 Standards Assessment Plans.

13 32. Notwithstanding any action by EPA, Respondents remain fully
14 responsible for achievement of the Performance Standards.
15 Nothing in this Order, or in EPA's approval of the Statement of
16 Work, or in the Remedial Design or Remedial Action Work Plans, or
17 approval of any other submission, shall be deemed to constitute a
18 warranty or representation of any kind by EPA that full
19 performance of the Remedial Action will achieve the Performance
20 Standards. Respondents' compliance with such approved documents
21 does not foreclose EPA from seeking additional work to achieve
22 the applicable Performance Standards.

23 33. Respondents shall, prior to any off-site shipment of
24 hazardous substances from the Site to an out-of-state waste
25 management facility, provide written notification to the
26 appropriate state environmental official in the receiving state
27 and to EPA's RPM of such shipment of hazardous substances.

1 However, the notification of shipments shall not apply to any
2 off-Site shipments when the total volume of all shipments from
3 the Site to the State will not exceed ten (10) cubic yards.

4 a. The notification shall be in writing, and shall include
5 the following information, where available: (1) the name and
6 location of the facility to which the hazardous substances are to
7 be shipped; (2) the type and quantity of the hazardous substances
8 to be shipped; (3) the expected schedule for the shipment of the
9 hazardous substances; and (4) the method of transportation.

10 Respondents shall notify the receiving state of major changes in
11 the shipment plan, such as a decision to ship the hazardous
12 substances to another facility within the same state, or to a
13 facility in another state.

14 b. The identity of the receiving facility and state will
15 be determined by Respondents following the award of the contract
16 for Remedial Action construction. Respondents shall provide all
17 relevant information, including information under the categories
18 noted in this Paragraph, subparagraph a above, on the off-Site
19 shipments as soon as practicable after the award of the contract
20 and before the hazardous substances are actually shipped.

21 34. Within thirty (30) days after Respondents conclude that the
22 Remedial Action Work has been fully performed, Respondents shall
23 so notify EPA and shall schedule and conduct a pre-certification
24 inspection to be attended by Respondents and EPA. The pre-
25 certification inspection shall be followed by a written report
26 submitted within thirty (30) days of the inspection by a
27 registered professional engineer and Respondents' Project

Coordinator certifying that the Remedial Action Work has been completed in full satisfaction of the requirements of this Order. If, after completion of the pre-certification inspection and receipt and review of the written report, EPA determines that the Remedial Action Work or any portion thereof has not been completed in accordance with this Order, EPA shall notify Respondents in writing of the activities that must be undertaken to complete the Remedial Action Work and shall set forth in the notice a schedule for performance of such activities. Respondents shall perform all activities described in the notice in accordance with the specifications and schedules established therein. If EPA concludes, following the initial or any subsequent certification of completion by Respondents that the Remedial Action Work has been fully performed in accordance with this Order, EPA may notify Respondents that the Remedial Action Work has been fully performed. EPA's notification shall be based on present knowledge and Respondent's certification to EPA, and shall not limit EPA's right to issue additional orders or take other enforcement actions to require the further implementation of the RODs, to perform periodic reviews pursuant to section 121(c) of CERCLA, 42 U.S.C. § 9621(c), or to take or require any action that in the judgment of EPA is appropriate at the Site, in accordance with 42 U.S.C. §§ 9604, 9606, or 9607. In addition, EPA may decline to issue such notification if it determines to issue additional unilateral administrative order(s) to Respondents, or to amend or supplement this Order to require Respondents to perform work in addition to that required by the

1 Statement of Work.

2 X. FAILURE TO ATTAIN PERFORMANCE STANDARDS

3 35. In the event that EPA determines that additional response
4 activities are necessary to meet applicable Performance
5 Standards, EPA may notify Respondents that additional response
6 actions are necessary.

7 36. Unless otherwise stated by EPA, within thirty (30) days of
8 receipt of notice from EPA that additional response activities
9 are necessary to meet any applicable Performance Standards,
10 Respondents shall submit for approval by EPA a work plan for the
11 additional response activities. The plan shall conform to the
12 applicable requirements of this Order, including but not limited
13 to Sections IX (Work to be Performed), XVI (Progress Reports),
14 and XVII (Compliance With Applicable Laws) of this Order. Upon
15 EPA's approval of the plan pursuant to Section XIV (EPA Review of
16 Submissions), Respondents shall implement the plan for additional
17 response activities in accordance with the provisions and
18 schedule contained therein.

19 XI. EPA PERIODIC REVIEW

20 37. Under section 121(c) of CERCLA, 42 U.S.C. § 9621(c), and any
21 applicable regulations, EPA may review the Site to assure that
22 the Work performed pursuant to this Order adequately protects
23 human health and the environment. Until such time as EPA
24 certifies completion of the actions required in the RODs,
25 Respondents shall conduct the requisite studies, investigations,
26 or other response actions as determined necessary by EPA in order
27 to permit EPA to conduct the review under section 121(c) of

1 CERCLA. As a result of any review performed under this
2 Paragraph, Respondents may be required to perform additional Work
3 or to modify Work previously performed.

4 XII. ADDITIONAL RESPONSE ACTIONS

5 38. EPA may determine that in addition to the Work identified in
6 this Order and attachments to this Order, additional response
7 activities may be necessary to protect human health and the
8 environment. If EPA determines that additional response
9 activities are necessary, EPA may require Respondents to submit a
10 work plan for additional response activities. EPA may also
11 require Respondents to modify any plan, design, or other
12 deliverable required by this Order, including any approved
13 modifications.

14 39. Not later than thirty (30) days after receiving EPA's notice
15 that additional response activities are required pursuant to this
16 Section, Respondents shall submit a work plan for the response
17 activities to EPA for review and approval. Upon approval by EPA,
18 the work plan shall be incorporated into this Order as a
19 requirement of this Order and shall be an enforceable part of
20 this Order. Upon approval of the work plan by EPA, Respondents
21 shall implement the work plan according to the standards,
22 specifications, and schedule in the approved work plan.
23 Respondents shall notify EPA of their intent to perform such
24 additional response activities within seven (7) days after
25 receipt of EPA's request for additional response activities.

XIII. ENDANGERMENT AND EMERGENCY RESPONSE

40. In the event of any action or occurrence during the performance of the Work which causes or threatens to cause a release of a hazardous substance or which may present an immediate threat to public health or welfare or the environment, Respondents shall immediately take all appropriate action to prevent, abate, or minimize the threat, and shall immediately notify EPA's RPM or, if the RPM is unavailable, EPA's Alternate RPM. If neither of these persons is available, Respondents shall notify the EPA Emergency Response Unit, Region IX. Respondents shall take such action in consultation with EPA's RPM and in accordance with all applicable provisions of this Order, including but not limited to the Health and Safety Plan and the Contingency Plan. In the event that Respondents fail to take appropriate response action as required by this Section, and EPA takes that action instead, Respondents shall reimburse EPA for all costs of the response action not inconsistent with the NCP. Respondents shall pay the response costs in the manner described in Section XXIV of this Order, within thirty (30) days of Respondent's receipt of demand for payment and EPA's certified Agency Financial Management Systems summary data (Spur Report) or other EPA-certified summary of the costs incurred.

41. Nothing in the preceding Paragraph shall be deemed to limit any authority of the United States to take, direct, or order all appropriate action to protect human health and the environment or to prevent, abate, or minimize an actual or threatened release of hazardous substances on, at, or from the Site.

XIV. EPA REVIEW OF SUBMISSIONS

42. After review of any deliverable, plan, report or other item which is required to be submitted for review and approval pursuant to this Order, including review by the California Department of Toxic Substances Control, the California Department of Health Services, the RWQCB, or the City of Glendale, if applicable, EPA may: (a) approve the submission; (b) approve the submission with modifications imposed by EPA; (c) disapprove the submission and direct Respondents to re-submit the document after incorporating EPA's comments; or (d) disapprove the submission and assume responsibility for performing all or any part of the response action. As used in this Order, the terms "approval by EPA," "EPA approval," or a similar term means the action described in paragraphs (a) or (b) of this Paragraph.

43. In the event of approval or approval with modifications by EPA, Respondents shall proceed to take any action required by the plan, report, or other item, as approved or modified by EPA.

44. Upon receipt of a notice of disapproval or a request for a modification, Respondents shall, within twenty-one (21) days or such longer time as specified by EPA in its notice of disapproval or request for modification, correct the deficiencies and re-submit the plan, report, or other item for approval.

Notwithstanding the notice of disapproval, or approval with modifications, Respondents shall proceed, at the direction of EPA, to take any action required by any non-deficient portion of the submission.

1 45. If any submission is not approved by EPA, Respondents shall
2 be deemed to be in violation of this Order.

3 XV. PROGRESS REPORTS

4 46. In addition to the other deliverables set forth in this
5 Order and the SOW, Respondents shall provide monthly progress
6 reports to EPA with respect to actions and activities undertaken
7 pursuant to this Order. The progress reports shall be submitted
8 on or before the seventh (7th) day of each month following the
9 Effective Date of this Order. Respondent's obligation to submit
10 progress reports continues until EPA gives Respondents written
11 notice under paragraph 34. At a minimum these progress reports
12 shall: (1) describe the actions which have been taken to comply
13 with this Order during the prior month; (2) include all results
14 of sampling and tests and all other data received by Respondents
15 and not previously submitted to EPA; (3) describe all work
16 planned for the next two months with schedules relating such work
17 to the overall project schedule for RA completion; (4) describe
18 all problems encountered and any anticipated problems, any actual
19 or anticipated delays, and any solutions developed and
20 implemented to address any actual or anticipated problems or
21 delays; and (5) provide quality assurance documentation for the
22 preceding month that documents compliance with Section XVI of
23 this Order (Quality Assurance, Sampling and Data Analysis).

1 XVI. QUALITY ASSURANCE, SAMPLING AND DATA ANALYSIS

2 47. Respondents shall use the quality assurance, quality
3 control, and chain of custody procedures described in the "EPA
4 NEIC Policies and Procedures Manual," May 1978, revised May 1986,
5 EPA-330/9-78-001-R, EPA's "Guidelines and Specifications for
6 Preparing Quality Assurance Program Documentation," June 1, 1987,
7 EPA's "Data Quality Objective Guidance," (EPA/540/G87/003 and
8 004), EPA Requirements for Quality Assurance Project Plans for
9 Environmental Data Operations, EPA QA/R-5, August 1994, and any
10 amendments to these documents, while conducting all sample
11 collection and analysis activities required herein by any plan.
12 To provide quality assurance and maintain quality control,
13 Respondents shall:

- 14 a. Use only laboratories which have a documented Quality
15 Assurance Program that complies with EPA guidance
 document QAMS-005/80.
- 16 b. Ensure that the laboratory used by the Respondents for
17 analyses performs according to a method or methods
18 deemed satisfactory to EPA and submits all protocols to
 be used for analyses to EPA at least sixty (60) days
 before beginning analysis.
- 19 c. Ensure that EPA personnel and EPA's authorized
20 representatives are allowed access to the laboratory
 and personnel utilized by the Respondents for analyses.

21 48. Respondents shall notify EPA not less than fourteen (14)
22 days in advance of any sample collection activity. At the
23 request of EPA, Respondents shall allow split or duplicate
24 samples to be taken by EPA or its authorized representatives, of
25 any samples collected by Respondents with regard to the Site or
26 pursuant to the implementation of this Order. In addition, EPA
27

1 shall have the right to take any additional samples that EPA
2 deems necessary.

3 XVII. COMPLIANCE WITH APPLICABLE LAWS

4 49. All activities by Respondents pursuant to this Order shall
5 be performed in accordance with the requirements of all federal
6 and State laws and regulations. EPA has determined that the
7 activities contemplated by this Order are consistent with the
8 National Contingency Plan (NCP).

9 50. Except as provided in section 121(e) of CERCLA, 42 U.S.C.
10 § 9621(e), and the NCP, no permit shall be required for any
11 portion of the Work conducted entirely on-Site. Where any
12 portion of the Work requires a federal or State permit or
13 approval, Respondents shall submit timely applications and take
14 all other actions necessary to obtain and to comply with all such
15 permits or approvals.

16 51. This Order is not, and shall not be construed to be, a
17 permit issued pursuant to any federal or State statute or
18 regulation.

19 52. All materials removed from the Site shall be disposed of or
20 treated at a facility approved by EPA's RPM and in accordance
21 with section 121(d)(3) of CERCLA, 42 U.S.C. § 9621(d)(3); with
22 the U.S. EPA Off-Site Rule, 40 C.F.R. § 300.440 et seq., 58 Fed.
23 Reg. 49200 (September 22, 1993), and with all other applicable
24 federal, State, and local requirements.

XVIII. REMEDIAL PROJECT MANAGER

53. All communications, whether written or oral, from Respondents to EPA shall be directed to EPA's RPM or Alternate RPM. Respondents shall submit to EPA three copies of all documents, including plans, reports, and other correspondence, which are developed pursuant to this Order, and shall send these documents by overnight mail.

EPA's RPM is:

Michael T. Osinski
United States Environmental Protection Agency
Region IX
75 Hawthorne St., H-6-4
San Francisco, CA 94105
(415) 744-2249
osinski.michael@epamail.epa.gov

EPA's Alternate RPM is:

Duane James
United States Environmental Protection Agency
Region IX
75 Hawthorne St., H-6-4
(415) 744-2253
james.duane@epamail.epa.gov

Respondents shall simultaneously send a copy of all such documents to the following persons.

EPA's contractor:

Alan Michiels
CH2M Hill
1111 Broadway, Suite 1200
P.O. Box 12681
Oakland, CA 94604-2681

Hank Yacoub
Los Angeles Regional Water Quality Control Board
101 Centre Plaza Drive
Monterey Park, CA 91754

1 Gary Yamamoto
2 Department of Health Services
3 Drinking Water Field Operations Branch
4 1449 West Temple Street, Rm. 224
5 Los Angeles, CA 90026

6 Don Froelich
7 City of Glendale
8 Public Service Department
9 141 N. Glendale Avenue, 4th level
10 Glendale, CA 91206

11 Hamid Saebfar, Chief
12 Site Mitigation Cleanup Operations
13 Department of Toxic Substances Control
14 Southern California Branch
15 1011 N. Grandview Avenue
16 Glendale, CA 91201

17 54. EPA has the unreviewable right to change its RPM or
18 Alternate RPM. If EPA changes its RPM or Alternate RPM, EPA will
19 inform Respondents in writing of the name, address, and telephone
20 number of the new RPM or Alternate RPM.

21 55. EPA's RPM and Alternate RPM shall have the authority
22 lawfully vested in a Remedial Project Manager (RPM) and On-Scene
23 Coordinator (OSC) by the National Contingency Plan, 40 C.F.R.
24 Part 300. EPA's RPM or Alternate RPM shall have authority,
25 consistent with the National Contingency Plan, to halt any work
26 required by this Order, and to take any necessary response
27 action.

28 56. Within seven (7) days after the Effective Date of this
Order, Respondents shall designate a Project Coordinator and
shall submit the name, address, and telephone number of the
Project Coordinator to EPA for review and approval. Respondents'
Project Coordinator shall be responsible for overseeing
Respondents' implementation of this Order. If Respondents wish

1 to change their Project Coordinator, Respondents shall provide
2 written notice to EPA, fifteen (15) days prior to changing the
3 Project Coordinator, of the name and qualifications of the new
4 Project Coordinator. Respondents' selection of a Project
5 Coordinator shall be subject to EPA approval.

6 XIX. ACCESS TO SITE NOT OWNED BY RESPONDENTS

7 57. If the Site, the off-Site area that is to be used for
8 access or response activities, property where documents required
9 to be prepared or maintained by this Order are located, or other
10 property subject to or affected by the cleanup, is owned in whole
11 or in part by parties other than those bound by this Order,
12 Respondents will obtain, or use their best efforts to obtain,
13 site access agreements from the present owner(s) within ninety
14 (90) days of the Effective Date of this Order. Such agreements
15 shall provide access for EPA, its contractors and oversight
16 officials, the State of California agencies' and their
17 contractors, and Respondents or Respondents' authorized
18 representatives and contractors, and such agreements shall
19 specify that Respondents are not EPA's representative with
20 respect to liability associated with Site activities.

21 Respondents shall save and hold harmless the United States and
22 its officials, agents, employees, contractors, subcontractors, or
23 representatives for or from any and all claims or causes of
24 action or other costs incurred by the United States including but
25 not limited to attorneys fees and other expenses of litigation
26 and settlement arising from or on account of acts or omissions of
27 Respondents, their officers, directors, employees, agents,

1 contractors, subcontractors, and any persons acting on their
2 behalf or under their control, in carrying out activities
3 pursuant to this Order, including any claims arising from any
4 designation of Respondents as EPA's authorized representatives
5 under section 104(e) of CERCLA, 42 U.S.C. § 9604(e). Copies of
6 such agreements shall be provided to EPA prior to Respondents'
7 initiation of field activities. Respondents' best efforts shall
8 include providing reasonable compensation to any off-Site
9 property owner. If access agreements are not obtained within the
10 time referenced above, Respondents shall immediately notify EPA
11 of the failure to obtain access. Subject to the United States'
12 non-reviewable discretion, EPA may use its legal authorities to
13 obtain access for the Respondents, may perform those response
14 actions with EPA contractors at the property in question, or may
15 terminate the Order if Respondents cannot obtain access
16 agreements. If EPA performs those tasks or activities with
17 contractors and does not terminate the Order, Respondents shall
18 perform all other activities not requiring access to that
19 property, and shall reimburse EPA, pursuant to Section XXIV of
20 this Order, for all costs incurred in performing such activities.
21 Respondents shall integrate the results of any such tasks
22 undertaken by EPA into its reports and deliverables.

23 58. Respondents shall reimburse EPA, pursuant to Section XXIV of
24 this Order, for all response costs (including attorneys fees)
25 incurred by the United States to obtain access for Respondents.
26
27
28

1 XX. SITE ACCESS AND DATA/DOCUMENT AVAILABILITY

2 59. Respondents shall allow EPA and its authorized
3 representatives and contractors to enter and freely move about
4 all property at the Site and off-Site areas subject to or
5 affected by the Work under this Order or where documents required
6 to be prepared or maintained by this Order are located, for the
7 purposes of inspecting conditions, activities, the results of
8 activities, records, operating logs, and contracts related to the
9 Site or Respondents and its representatives or contractors
10 pursuant to this Order; reviewing the progress of the Respondents
11 in carrying out the terms of this Order; conducting tests as EPA
12 or its authorized representatives or contractors deem necessary;
13 using a camera, sound recording device or other documentary type
14 equipment; and verifying the data submitted to EPA by
15 Respondents. Respondents shall allow EPA and its authorized
16 representatives to enter the Site, and to inspect and copy all
17 records, files, photographs, documents, sampling and monitoring
18 data, and other writings related to work undertaken in carrying
19 out this Order. Nothing herein shall be interpreted as limiting
20 or affecting EPA's right of entry or inspection authority under
21 federal law.

22 60. Respondents may assert a claim of business confidentiality
23 covering part or all of the information submitted to EPA pursuant
24 to the terms of this Order under 40 C.F.R. § 2.203, provided such
25 claim is not inconsistent with section 104(e)(7) of CERCLA, 42
26 U.S.C. § 9604(e)(7) or other provisions of law. This claim shall
27 be asserted in the manner described by 40 C.F.R. § 2.203(b) and
28

1 substantiated by Respondents at the time the claim is made.
2 Information determined to be confidential by EPA will be given
3 the protection specified in 40 C.F.R. Part 2. If no such claim
4 accompanies the information when it is submitted to EPA, it may
5 be made available to the public by EPA or the State without
6 further notice to the Respondents. Respondents shall not assert
7 confidentiality claims with respect to any data related to Site
8 conditions, sampling, or monitoring.

9 61. Respondents shall maintain for the period during which this
10 Order is in effect, an index of documents that Respondents claims
11 contain confidential business information. The index shall
12 contain, for each document, the date, author, addressee, and
13 subject of the document. Upon written request from EPA,
14 Respondents shall submit a copy of the index to EPA.

15 XXI. RECORD PRESERVATION

16 62. Respondents shall provide to EPA upon request, copies of all
17 documents and information within their possession and/or control
18 or that of their contractors or agents relating to activities at
19 the Site or to the implementation of this Order, including but
20 not limited to sampling, analysis, chain of custody records,
21 manifests, trucking logs, receipts, reports, sample traffic
22 routing, correspondence, or other documents or information
23 related to the Work. Respondents shall also make available to
24 EPA for purposes of investigation, information gathering, or
25 testimony, their employees, agents, or representatives with
26 knowledge of relevant facts concerning the performance of the
27 Work.

1 63. Until ten (10) years after EPA provides notice pursuant to
2 paragraph 34, each Respondent shall preserve and retain all
3 records and documents in its possession or control, including the
4 documents in the possession or control of their contractors and
5 agents on and after the Effective Date of this Order that relate
6 in any manner to the Site. At the conclusion of this document
7 retention period, Respondents shall notify the United States at
8 least ninety (90) calendar days prior to the destruction of any
9 such records or documents, and upon request by the United States,
10 Respondents shall deliver any such records or documents to EPA.

11 64. Until ten (10) years after EPA provides notice pursuant to
12 paragraph 34 of this Order, Respondents shall preserve, and shall
13 instruct their contractors and agents to preserve, all documents,
14 records, and information of whatever kind, nature or description
15 relating to the performance of the Work. Upon the conclusion of
16 this document retention period, Respondents shall notify the
17 United States at least ninety (90) days prior to the destruction
18 of any such records, documents or information, and, upon request
19 of the United States, Respondents shall deliver all such
20 documents, records and information to EPA.

21 65. Within thirty (30) days after the Effective Date of this
22 Order, Respondents shall submit a written certification to EPA's
23 RPM that they have not altered, mutilated, discarded, destroyed
24 or otherwise disposed of any records, documents or other
25 information relating to their potential liability with regard to
26 the Site since notification of potential liability by the United
27 States or the State or the filing of suit against it regarding

1 the Site. Respondents shall not dispose of any such documents
2 without prior approval by EPA. Respondents shall, upon EPA's
3 request and at no cost to EPA, deliver the documents or copies of
4 the documents to EPA.

5 XXII. DELAY IN PERFORMANCE

6 66. Any delay in performance of this Order that, in EPA's
7 judgment, is not properly justified by Respondents under the
8 terms of this paragraph shall be considered a violation of this
9 Order. Any delay in performance of this Order shall not affect
10 Respondents' obligations to fully perform all obligations under
11 the terms and conditions of this Order.

12 67. Respondents shall notify EPA of any delay or anticipated
13 delay in performing any requirement of this Order. Such
14 notification shall be made by telephone to EPA's RPM or Alternate
15 RPM within forty-eight (48) hours after Respondents first knew or
16 should have known that a delay might occur. Respondents shall
17 adopt all reasonable measures to avoid or minimize any such
18 delay. Within five (5) business days after notifying EPA by
19 telephone, Respondents shall provide written notification fully
20 describing the nature of the delay, any justification for delay,
21 any reason why Respondents should not be held strictly
22 accountable for failing to comply with any relevant requirements
23 of this Order, the measures planned and taken to minimize the
24 delay, and a schedule for implementing the measures that will be
25 taken to mitigate the effect of the delay. Increased costs or
26 expenses associated with implementation of the activities called
27 for in this Order is not a justification for any delay in

1 performance.

2 XXIII. ASSURANCE OF ABILITY TO COMPLETE WORK

3 68. Respondents shall demonstrate their ability to complete the
4 Remedial Action and to pay all claims that arise from the
5 performance of the Work by obtaining and presenting to EPA within
6 thirty (30) days of the Effective Date of this Order, one of the
7 following: (1) a performance bond; (2) a letter of credit; (3) a
8 guarantee by a third party; or (4) internal financial information
9 to allow EPA to determine that Respondents have sufficient assets
10 available to perform the Remedial Action Work. Respondents shall
11 demonstrate financial assurance in an amount no less than the
12 estimate of cost for the remedial action contained in the Final
13 Design for the Site. If Respondents seek to demonstrate ability
14 to complete the Remedial Action by means of internal financial
15 information, or by guarantee of a third party, they shall re-
16 submit such information annually, on the anniversary of the
17 Effective Date of this Order. If EPA determines that such
18 financial information is inadequate, Respondents shall, within
19 thirty (30) days after receipt of EPA's notice of determination,
20 obtain and present to EPA for approval one of the other three
21 forms of financial assurance listed above.

22 69. At least seven (7) days prior to commencing any work at the
23 Site pursuant to this Order, Respondents shall submit to EPA a
24 certification that Respondents or their contractors and
25 subcontractors have adequate insurance coverage or have
26 indemnification for liabilities for injuries or damages to
27 persons or property which may result from the activities to be

1 conducted by or on behalf of Respondents pursuant to this Order.
2 Respondents shall ensure that such insurance or indemnification
3 is maintained for the duration of the Work required by this
4 Order.

5 XXIV. REIMBURSEMENT OF RESPONSE COSTS

6 70. Respondents shall reimburse EPA, upon written demand, for
7 all response costs incurred by the United States in overseeing
8 Respondents' implementation of the requirements of this Order or
9 in performing any response action which Respondents fail to
10 perform in compliance with this Order. EPA may submit to
11 Respondents on a periodic basis an accounting of all response
12 costs incurred by the United States with respect to this Order.
13 EPA's certified Agency Financial Management System summary data
14 (SPUR Reports), or such other summary as certified by EPA, shall
15 serve as basis for payment demands.

16 71. Respondents shall, within thirty (30) days of receipt of
17 each EPA accounting, remit a certified or cashier's check for the
18 amount of those costs. Interest shall accrue from the later of
19 the date that payment of a specified amount is demanded in
20 writing or the date of the expenditure. The interest rate is the
21 rate established by the Department of the Treasury pursuant to 31
22 U.S.C. § 3717 and 4 C.F.R. § 102.13.

23 72. Payment shall be made to the United States in accordance
24 with instructions provided by the United States to Respondents at
25 the time it issues payment demands. The amounts paid to EPA
26 pursuant to this Order shall be deposited in a special account to
27 be retained and used to conduct or finance response actions at or

1 in connection with the Site ("the Glendale OUs Special Account").
2 Any balance remaining in the Glendale OUs Special Account after
3 completion of the response actions at or in connection with the
4 Site shall be deposited in the EPA Hazardous Substance Superfund.

5 73. Checks shall be made payable to the Hazardous Substances
6 Superfund and shall include the name of the Site (Crystal
7 Springs, Glendale North and South Operable Units), the Site
8 identification number N2, the account number (if one has been
9 identified by EPA) and the title of this Order. EPA will provide
10 Respondents with additional identification information, if
11 necessary, at the time of issuing its payment demand(s). Checks
12 shall be forwarded to:

13 U.S. Environmental Protection Agency
14 Region IX Superfund Accounting
P.O. Box 360863M
15 Pittsburgh, PA 15251

16 74. Respondents shall send copies of each transmittal letter and
17 check to the EPA's RPM.

18 XXV. UNITED STATES NOT LIABLE

19 75. The United States, by issuance of this Order, assumes no
20 liability for any injuries or damages to persons or property
21 resulting from acts or omissions by Respondents, or their
22 directors, officers, employees, agents, representatives,
23 successors, assigns, contractors, or consultants in carrying out
24 any action or activity pursuant to this Order. Neither EPA nor
25 the United States may be deemed to be a party to any contract
26 entered into by Respondents or their directors, officers,
27 employees, agents, successors, assigns, contractors, or

1 consultants in carrying out any action or activity pursuant to
2 this Order.

3 XXVI. ENFORCEMENT AND RESERVATIONS

4 76. EPA reserves the right to bring an action against
5 Respondents under section 107 of CERCLA, 42 U.S.C. § 9607, for
6 recovery of any response costs incurred by the United States
7 related to this Order, to the Site, and/or to the San Fernando
8 Valley Basin and not reimbursed by Respondents. This reservation
9 shall include but not be limited to past costs, direct costs,
10 indirect costs, the costs of oversight, the costs of compiling
11 the cost documentation to support oversight cost demand, as well
12 as accrued interest as provided in section 107(a) of CERCLA.

13 77. Notwithstanding any other provision of this Order, at any
14 time during the response action, EPA may perform its own studies,
15 complete the response action (or any portion of the response
16 action) as provided in CERCLA and the NCP, and seek reimbursement
17 from Respondents for its costs, or seek any other appropriate
18 relief.

19 78. Nothing in this Order shall preclude EPA from taking any
20 additional enforcement actions, including modification of this
21 Order or issuance of additional orders, and/or additional
22 remedial or removal actions as EPA may deem necessary, or from
23 requiring Respondents in the future to perform additional
24 activities pursuant to CERCLA, 42 U.S.C. § 9606(a), et seq., or
25 any other applicable law. Respondents shall be liable under
26 CERCLA section 107(a), 42 U.S.C. § 9607(a), for the costs of any
27 such additional actions.

1 79. Notwithstanding any provision of this Order, the United
2 States hereby retains all of its information gathering,
3 inspection and enforcement authorities and rights under CERCLA,
4 RCRA and any other applicable statutes or regulations.

5 80. Respondents shall be subject to civil penalties under
6 section 106(b) of CERCLA, 42 U.S.C. § 9606(b), of not more than ..
7 \$25,000 for each day in which Respondents willfully violates, or
8 fails or refuses to comply with this Order without sufficient
9 cause. In addition, failure to properly provide response action
10 under this Order, or any portion hereof, without sufficient
11 cause, may result in liability under section 107(c)(3) of CERCLA,
12 42 U.S.C. § 9607(c)(3), for punitive damages in an amount at
13 least equal to, and not more than three times the amount of any
14 costs incurred by the Fund as a result of such failure to take
15 proper action.

16 81. Nothing in this Order shall constitute or be construed as a
17 release from any claim, cause of action or demand in law or
18 equity against any person for any liability it may have arising
19 out of or relating in any way to the Site.

1 82. If a court issues an order that invalidates any provision of
2 this Order or finds that Respondents, or any of them, have
3 sufficient cause not to comply with one or more provisions of
4 this Order, Respondents shall remain bound to comply with all
5 provisions of this Order not invalidated by the court's order.

6 XXVII. ADMINISTRATIVE RECORD

7 83. Upon request by EPA, Respondents must submit to EPA all
8 documents related to the selection of the response action for
9 possible inclusion in the administrative record file.

10 XXVIII. EFFECTIVE DATE AND COMPUTATION OF TIME

11 84. This Order shall be effective fourteen (14) days after the
12 Order is signed by the Division Director for the Superfund
13 Division, Region IX, EPA. All times for performance of ordered
14 activities shall be calculated from this Effective Date.

15 XXIX. OPPORTUNITY TO CONFER

16 85. Respondents may, within ten (10) days after the date this
17 Order is signed, request a conference with EPA's RPM and
18 Assistant Regional Counsel assigned to the Site to discuss this
19 Order. If requested, the conference shall occur on Wednesday,
20 December 18, 1996, at 75 Hawthorne Street, 16th floor, San
21 Francisco, California.

22 86. The purpose and scope of the conference shall be limited to
23 issues involving the implementation of the response actions
24 required by this Order and the extent to which Respondents intend
25 to comply with this Order. This conference is not an evidentiary
26 hearing, and does not constitute a proceeding to challenge this
27 Order. It does not give Respondents a right to seek review of.

1 this Order, to negotiate any of the terms and provisions of this
2 Order, or to seek resolution of potential liability, and no
3 official stenographic record of the conference will be made. At
4 any conference held pursuant to Respondent's request, Respondents
5 may appear in person or by an attorney or other representative.
6 87. Requests for a conference must be by telephone followed by
7 written confirmation mailed that day to Marie M. Rongone,
8 Assistant Regional Counsel, 75 Hawthorne Street, RC-3-3, San
9 Francisco, California, 94105, (415) 744-1313, with a copy of the
10 written confirmation to Michael T. Osinski, Remedial Program
11 Manager, 75 Hawthorne Street, H-6-4, San Francisco, California,
12 94105.

13
14 So Ordered, this th26 day of November 1996.

15
16 BY: KEITH A. TAKATA
17 Director, Superfund Division
18 U.S. Environmental Protection Agency, Region IX
19
20
21
22
23
24
25
26
27
28